

MINORITY BUSINESS DEVELOPMENT AGENCY

The Minority Business Development Agency (MBDA) has the lead role in the Federal Government of coordinating all minority business programs. The Agency provides access to market and resource opportunities through a variety of direct and indirect business assistance services.

For FY 2000, MBDA will continue to define its program strategy through goals and objectives that promote job creation, economic growth and sustainable development for the growing minority business population in the United States. These goals are:

Goal 1: Improve opportunities for minority-owned businesses to gain access to the marketplace.

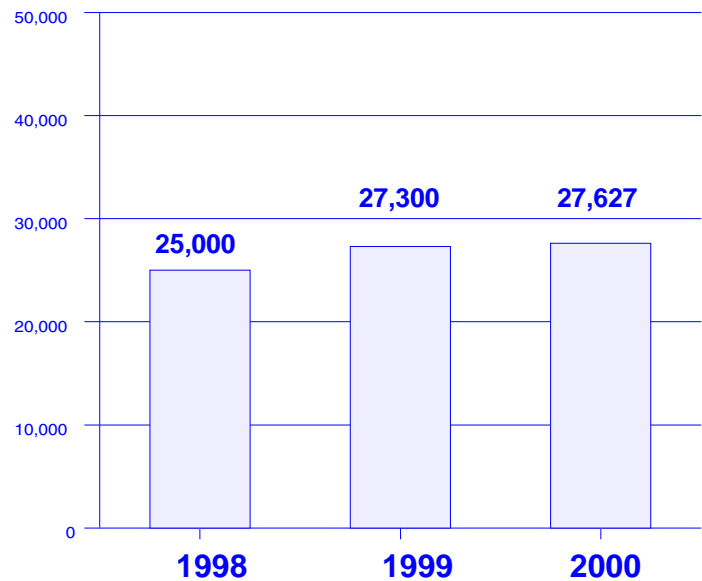
To accomplish this goal, MBDA will:

- provide electronic access to growth markets by automated matching of firm capabilities with public and private sector opportunities;
- promote and expand opportunities for minority-owned businesses in the global marketplace;
- assist minority-owned businesses to identify and commercialize new technologies that offer unique potential for business success;
- advocate and increase the use of electronic commerce by minority-owned businesses; and
- provide management and technical assistance resources electronically for use by local, state and non-profit organizations.



MBDA Funding

(Dollars in Thousands)



Goal 2: Improve opportunities for minority-owned businesses to pursue financing:

MBDA will:

- establish an electronic information clearinghouse of growth opportunities and business development resources for minority-owned businesses and those engaged in business development activities; and
- increase the availability of financial capital for firms expanding into new or growing markets.

The goals and objectives listed above support the Department's Mission Statement and Theme 1 of the Commerce Strategic Plan (*Build for the future and promote U.S. competitiveness in the global marketplace by strengthening and safeguarding the Nation's economic infrastructure*).

MBDA plans to use the Internet as a vehicle to establish an information clearinghouse and National referral center for minority-owned businesses of any size to access the network of public and private business development resources. The Agency will also expand the automated capabilities of matching firms with contracting opportunities.

MBDA will continue to use the Business Development Centers (BDCs), Native American Business Development Centers (NABDCs), and Minority Business Opportunity Committees (MBOCs) to provide management and technical assistance. The MBDCs are a crucial part of the Internet outreach program because the new Geographic Business Information System will be available through both the Internet and BDCs. The BDCs will provide more in-depth information and assistance. MBDA is not requesting increases in funding for the BDC network.

The performance indicators focus on measuring outputs that will guide the agency toward meeting the goals listed above.

The performance measures will continue to evolve over time, as MBDA and its programs, the Department of Commerce, and the Federal Government as a whole, continue to refine and enhance their capacity to develop performance measures, to use performance measurement as a key management tool, and implement the GPRA. A more detailed presentation of goals, objectives, and performance measures is found in the Department's [Annual Performance Plan](#) and MBDA's budget justification.

Key indicators that demonstrate MBDA's ability to improve minority-owned business access to the marketplace and financing include:

Measures and Targets Summary

<u>Goal</u>	<u>Measure</u>	<u>Target</u>
Improve opportunities for minority-owned businesses to have access to the marketplace	Dollar value of contracts generated by assisted minority-owned businesses	\$548m
Improve the opportunities for minority-owned businesses to pursue financing	Number of business loans received by assisted minority-owned businesses	858
	Dollar value of business loans to assisted minority-owned businesses	\$475m

SUMMARY OF APPROPRIATIONS

(Dollars in Thousands)

Funding Levels

<u>Appropriation</u>	<u>1998</u>	<u>1999</u>	<u>2000 Estimate</u>	<u>Increase (Decrease)</u>
Minority Business Development	\$25,000	\$27,000	\$27,627	\$627
Transfer of Y2K Funds (P.L. 105-277)		300		(300)
TOTAL BUDGET AUTHORITY	25,000	27,300	27,627	327

PERMANENT POSITIONS

Minority Business Development	133	133	133	0
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HIGHLIGHTS OF BUDGET CHANGES

APPROPRIATION: Minority Business Development

Summary of Requirements

	<u>Detailed</u>		<u>Summary</u>	
	<u>Perm Pos</u>	<u>Amount</u>	<u>Perm Pos</u>	<u>Amount</u>
1999 Enacted			133	\$27,300
Adjustments to Base				
<u>Adjustment</u>				
Non-recurring Y2K funds				(300)
<u>Other Changes</u>				
1999 Pay raise		\$84		
2000 Pay raise		263		
Payment to the Working Capital Fund		28		
Within-grade step increases		26		
Civil Service Retirement System(CSRS)		4		
Federal Employees' Retirement System(FERS)		(5)		
Thrift Savings Plan		(1)		
Health insurance		26		
Employees' Compensation Fund		(109)		
Travel		5		
Rent payments to GSA		41		
Postage		2		
FTS		4		
Printing and reproduction		3		
Other services:				
Working Capital Fund		314		
Commerce Administrative Management System (CAMS)		(14)		
NARA Storage and Maintenance		1		
General Pricing Level Adjustment		92		
Subtotal, other cost changes			0	764
Less Amount Absorbed			0	(438)
TOTAL, ADJUSTMENTS TO BASE			0	26
2000 Base			133	27,326
Program Changes			0	301
2000 APPROPRIATION			133	27,627

Comparison by Activity

	1999 Currently Avail		2000 Base		2000 Estimate		Increase / Decrease	
	Perm Pos	Amount	Perm Pos	Amount	Perm Pos	Amount	Perm Pos	Amount
DIRECT OBLIGATIONS								
Minority Business Development	133	\$28,276	133	\$27,326	133	\$27,627	0	\$301
TOTAL DIRECT OBLIGATIONS	133	28,276	133	27,326	133	27,627	0	301
REIMBURSABLE OBLIGATIONS		400		400		400	0	0
TOTAL OBLIGATIONS	133	28,676	133	27,726	133	28,027	0	301
FINANCING								
Unobligated balance, start of year		(976)						
Offsetting collections from:								
Federal funds		(400)				(400)		
Subtotal, financing	0	(1,376)			0	(400)		
TOTAL BUDGET AUTHORITY	133	27,300			133	27,627		
Transferred from other accounts	0	(300)			0	0		
TOTAL APPROPRIATION	133	27,000			133	27,627		

Highlights of Program Changes

	Base		Increase / Decrease	
	Permanent Positions	Amount	Permanent Positions	Amount
<u>Minority Business Development</u>	133	\$27,326	+0	+\$301

Business Geographic Information System

A program increase (+0 pos; +\$250) is requested to allow MBDA to use Geographic Information System (GIS) software to deliver market information to minority firms via the Internet. The proposed GIS will link information and location in a geographic format. Any business with Internet access will be able to search for business development resources by selecting the type of resource needed and clicking on a map or typing in the zip code. The GIS will play an important part in maximizing the agency's limited resources.

Phoenix Database Expansion

A program increase (+0 pos; + \$51) to expand the Phoenix database system. Established in FY 1998, the Phoenix database system matches minority-owned firms with opportunities to participate on contracts and procurements. Of the 45,000 companies in the MBDA primary database, 1,400 Phoenix companies have been matched with over 5,000 contract opportunities. As the database expands, so do the number of contract opportunities to be matched with businesses. MBDA seeks to have 70,000 companies registered in the database by the end of FY 2000.